

**SOLAR ENERGY FACILITIES TAXATION ACT (EXCERPT)**  
**Act 108 of 2023**

**211.1160 Revocation of certificate; grounds for revocation; notice; reinstatement of certificate; continuation payments.**

Sec. 10.

(1) Upon receipt of a request by certified mail to the commission by the holder of a certificate requesting revocation of the certificate, the commission shall by order revoke the certificate for any of the following reasons:

- (a) The facility has not yet been placed in service.
- (b) The qualified facility has permanently ceased operations.

(2) The legislative body of the qualified local governmental unit may by resolution request the commission to revoke the certificate of a qualified facility for any of the following reasons:

(a) The legislative body finds that completion of the qualified facility has not occurred within the time authorized by the legislative body in the certificate issued under section 6(2)(b), an extension of that time has not been granted by resolution of the qualified local governmental unit for good cause, and circumstances that are beyond the control of the holder of the certificate have not occurred.

- (b) The specific tax under this act has not been paid within 1 year of September 14 as provided in section 9(6).
- (c) The qualified facility has permanently ceased operations.

(3) Before revocation of the certificate as described in subsection (1) or upon receipt of a resolution described in subsection (2), the commission shall give notice in writing by certified mail to the holder of the certificate, to the local legislative body, to the assessor, and to the legislative body of each local taxing unit that levies taxes on property in the local governmental unit in which the qualified facility is located. The commission shall afford the holder of the certificate, the local legislative body, the assessor, and a representative of the legislative body of each taxing unit an opportunity for a hearing. If the requirements in subsection (2) have not been cured, the commission shall consider the resolution and by order revoke the certificate.

(4) The order of the commission revoking a certificate under subsection (1) or (2) is effective on the December 31 next following the date of the order, and the commission shall send by certified mail copies of its order of revocation to the holder of the certificate, to the local legislative body, to the assessor, and to the legislative body of each taxing unit that levies taxes on property in the qualified local governmental unit in which the qualified facility is located. If the commission revokes a certificate for nonpayment of the specific tax under subsection (2) (b), the holder of the certificate shall within 90 days of the revocation repay all of the prior years' net tax savings under the certificate, calculated by the commission by subtracting the specific tax paid from the amount of property tax that would have been levied on the qualified facility if the certificate had not been in effect based on the value determined under section 8(2). If not repaid, the prior years' net tax savings must be added to the next property tax bill for the qualified facility.

(5) Notwithstanding any other provision of this act, the commission shall reinstate a revoked certificate if all of the following conditions are met during the 20-year period described in section 7:

(a) A written request for reinstatement is submitted to the legislative body of the qualified local governmental unit in which the qualified facility is located and the commission by either the holder of the revoked certificate or a subsequent owner of the qualified facility seeking transfer of the revoked certificate.

(b) The legislative body of the qualified local governmental unit submits to the commission a resolution of concurrence in the requested reinstatement.

(c) The qualified facility continues to qualify under this act.

(6) If, after a qualified facility is placed in service, the commission revokes a certificate for the cessation of operations under subsection (1)(b) or (2)(c), the holder of the certificate is subject to a 1-time continuation payment based on the number of years remaining on the 20-year period described in section 7. The commission shall calculate the continuation payment as the product of the number of years remaining, the annual solar energy facilities tax required under section 9(2) or 9(3), and an applicable percentage. The applicable percentage is equal to 1 of the following:

- (a) If 11 or more years of the 20-year period remain, 25%.
- (b) If 6 or more years and less than 11 years of the 20-year period remain, 50%.
- (c) If the 20-year period is not complete and less than 6 years of it remain, 75%.
- (d) Notwithstanding subdivisions (a) to (c), 0% if any of the following apply:
  - (i) The 20-year period is complete.
  - (ii) The cessation of operations is due to an act of God and the owner has no intent to resume operations.
  - (iii) The commission reinstates a revoked certificate under subsection (5).

**History:** 2023, Act 108, Imd. Eff. July 27, 2023